



Caring for the land
and
serving people

Beaverhead - Deerlodge NFs Job and Income Contributions for 2014 *At a Glance*



National Forests and Grasslands contribute to economic activity in the areas surrounding them by providing recreational opportunities as well as timber, energy and minerals, and livestock grazing. Payments to states and counties from US Forest Service (FS) Program revenues and royalties support schools, road maintenance, stewardship projects and general county government operations. Additionally, FS investments in such things as infrastructure, ecosystem restoration, forest health, and salaries further support jobs and income in the local economy. This report estimates how natural resource management on the Beaverhead - Deerlodge NFs contributes to employment and income in the local economy.

The Forest supports:

- Around **1,200** jobs annually in local communities
- Around **42,200,000** dollars of annual labor income for wage earners and business sole proprietors

**Estimates as of September, 2016*

**Additional
Economic Contribution
information is available
on the
[FS website](#)**

&

**Frequently Asked
Questions
are
[available here](#)**



Where is the Forest's Economic Area of Influence?

Also referred to as the "study area" or "impact area," the counties selected to form a National Forest and Grassland's economic area of influence are chosen based on where FS management decisions have a direct effect on economic activity.

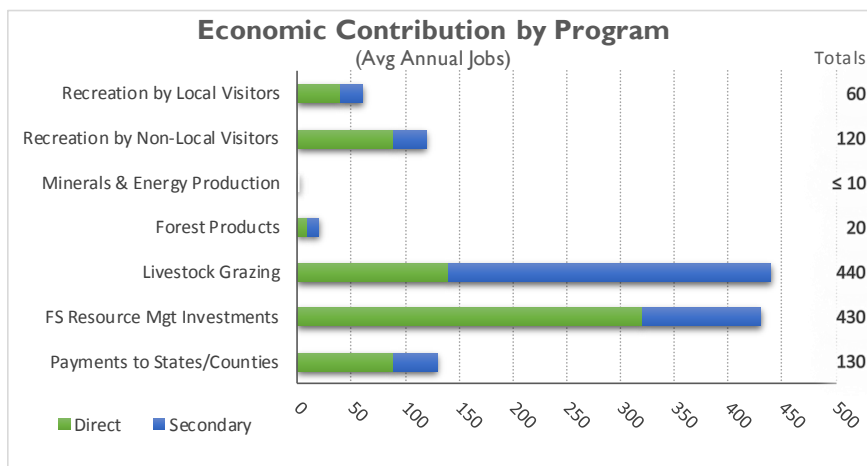
Employment Contributions

Employment is the estimate of average annual full-time, part-time, temporary, and seasonal jobs. In 2014, the Beaverhead - Deerlodge NFs supported an estimated 1,200 jobs in the local area. Direct effects come from economic activity associated with an FS program. Secondary effects are the ripples of economic activity spurred by direct effects.

Jobs supported by the National Forests and Grasslands are often in small, rural communities and are therefore an important contribution to economic and social sustainability.

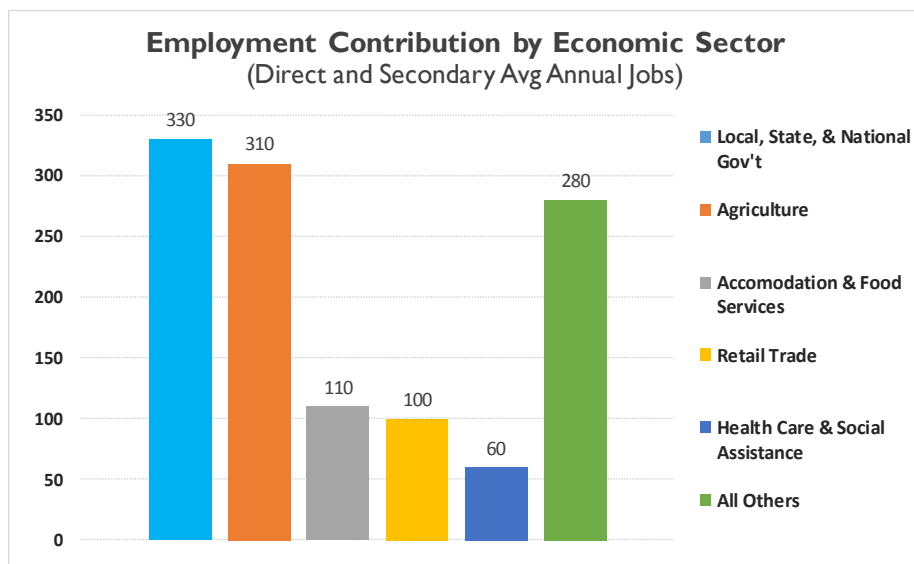
Non-local recreation visitors bring new money into the economy. Local Recreationists spend money that is already counted in the economic statistics for the area.

The effects of natural resource management on the National Forests and Grasslands ripple through the local economy, supporting jobs in many different sectors of the economy.



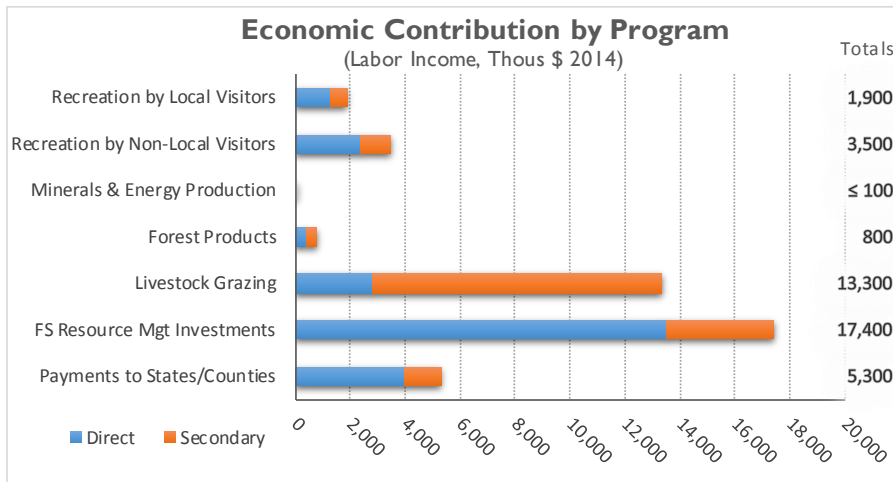
- Recreation (including wildlife related), Minerals & Energy, Forest Products, and Livestock Grazing estimates include the jobs supported by these programs in the **private** sector.
- FS Resource Management Investments capture the spending of the National Forest budget on such things as infrastructure construction and maintenance, ecosystem restoration, fuels treatments, salaries, etc.
- The Payments to States/Countries estimates the jobs supported in local government, roads and schools by returns from programs such as Secure Rural Schools, Payments in Lieu of Taxes and minerals royalties.

Management of the Beaverhead - Deerlodge NFs supported 1,200 local jobs. The chart below displays in which economic sectors these jobs occurred.



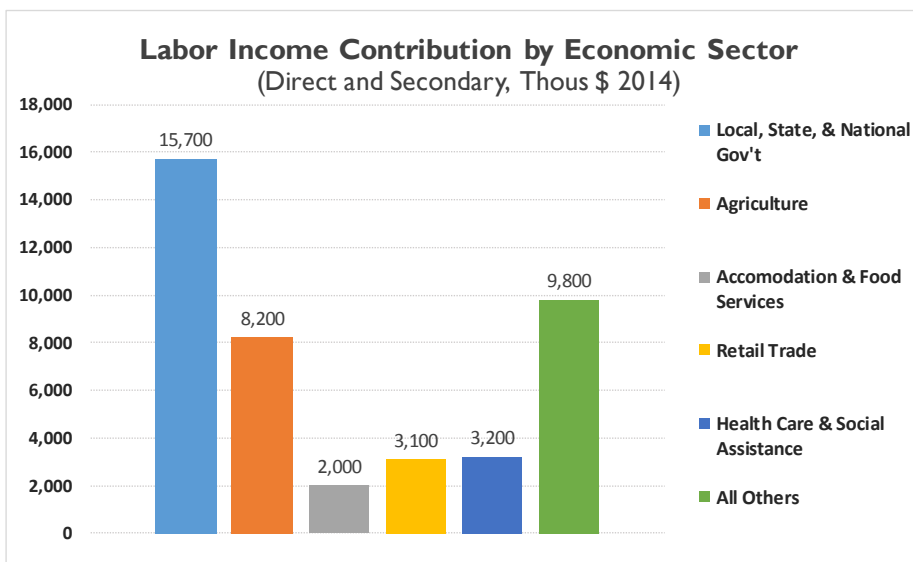
Labor Income Contributions

Labor income is the value of wages, salaries and benefits for wage earners plus income to sole business proprietors. In 2014, the Beaverhead - Deerlodge NFs contributed an estimated \$42,200,000 in labor income to the local area.



Of the approximately \$42,200,000 in Labor Income supported by natural resource management on the Beaverhead - Deerlodge NFs, 74% went to local employee wages and benefits, while roughly 26% was income to sole proprietors of local businesses.

Just as with employment, the labor income supported by management of the National Forest is spread across many local economic sectors. This chart displays the Labor Income of the sectors that have the highest employment supported by natural resource management on the National Forest. Note that sectors that have the highest employment may not generate the highest income and vice versa.



Keeping it Local!

Labor Income is directly associated with local jobs and business owners. Other measures of income such as Household Income and Total Income include things like investments, rents, and transfer payments that are not tied to Forest Service management decisions so they are not reported here.

As direct and secondary effects ripple through the economy, Labor Income is supported in a wide variety of sectors not immediately affected by resource management decisions.



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The values presented in this report are the best estimates to date, however they are subject to change as new data become available.

The analysis underlying the *At a Glance* reports is extremely complex. The analysts doing this work have special training and skills, along with years of experience.

Each National Forest has a unique economic area of influence, some of which may overlap with other forests. To avoid double counting, the results for the individual forests of a region can not be simply summed together to get meaningful regional or state contribution results.

"We must work towards a shared vision—a vision that conserves our forests and the vital resources important to our survival while wisely respecting the need for a forest economy that creates jobs and vibrant rural communities."

- Tom Vilsack

U.S. Secretary of Agriculture

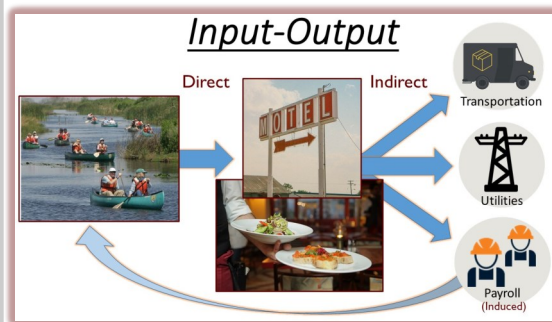
Methods

Why Report Jobs and Income?

- * There are many ways the National Forests and Grasslands benefit local communities and the nation: ecosystem services such as clean air and water, giving families and children a relationship with nature, preservation of cultural and natural treasures for future generations, etc.
- * We focus on jobs and income in this report because many people, particularly in local communities, identify with how management of the National Forests and Grasslands affects their ability to work and earn income.
- * The information in this report can be used alone or as a building block to describe the full contribution of the National Forest to the local area and the nation as a whole.

This is how a contribution analysis is constructed

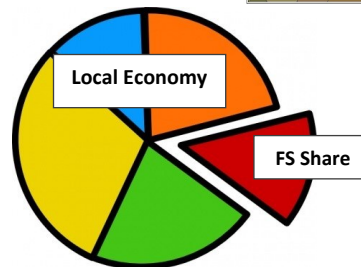
1 A software and data package, **IMPLAN**, is used to characterize the structure of the local economy and how the different pieces of the economy interact and are inter-related.



2 Agency natural resource management data for the National Forest/Grassland is added to the model for recreation, wildlife and fish, range, forest products, minerals, payments to states, and forest budgets.



3 A model is built and run for the area which estimates direct and ripple effect links between FS resource management and the local economy.



IMPORTANT!

The presentation of economic contribution by Resource Area provides a convenient way of displaying the economic effects of FS activities associated with the production of specific resource outputs. It does not imply that the economic contributions can be fully attributed to individual program areas or that economic contributions can be meaningfully compared across programs. Joint cost and joint production issues complicate programmatic comparisons. For example, an increased timber harvest would show an increase in local economic contributions from Forest Products, however, there are associated fire mitigation, wildlife habitat restoration, recreation access effects, etc., that share production costs and are not captured in this analysis.

For More Local Information

The Regional social science / economics contact for the Beaverhead - Deerlodge NFs is Jordan Larson who can be reached at jordanlarson@fs.fed.us.

The Homepage for the Beaverhead - Deerlodge NFs is <http://www.fs.usda.gov/bdnf/>